

11 May 2023

## 13 CONFIDENTIAL REPORTS

### 23.2.7 APPOINTMENT OF TRUSTEES TO COMMUNITY TRUST OF MANIOTOTO

Doc ID: 624215

#### Public Excluded

<b>Section under the Act</b>	The grounds on which part of the Council or Committee may be closed to the public are listed in s48(1)(a)(i) of the <i>Local Government Official Information and Meetings Act 1987</i> .
<b>Sub-clause and Reason:</b>	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.

#### 1. Purpose of Report

To consider the appointment of trustees to the Community Trust of Maniototo.

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#### Recommendations

That the Maniototo Community Board

- A. Receives the report and accepts the level of significance.
  - B. Resolves that Kyle Hagen be appointed as a trustee to the Community Trust of Maniototo for a term of five years expiring no later than 2028.
  - C. Resolves that Becks Smith be appointed as a trustee to the Community Trust of Maniototo for a term of three years expiring no later than 2026.
  - D. Resolves that the report and minutes be released to the public on 12 May 2023 but redact appendix 2, 3 and 4 being the applicant's letters.
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#### 2. Background

The Community Trust of Maniototo (the Trust) have delegated the responsibility of appointing trustees to the Maniototo Community Board (the Board). This delegation is detailed in clause 10 of the Trust's "Deed of Trust" document:

*"10 The statutory power of appointment of new trustees shall be vested in the Settlor County"*

The Settlor County referred to in Clause 10 is the Maniototo County Council which, in accordance with the local government reforms of 1989, was amalgamated to the Central Otago District Council.

The Board have continued in the role as the "Settler County" and have ratified trustee appointments since 1989. The past process was that the Trust advised in writing the proposed new trustee to be appointed and the Board ratified the appointment. The Board felt that the process was not sufficiently transparent and at the 3 June 2008 meeting the following resolution was made:

*"08.5.B All future appointments or reappointments of trustees to the Community Trust of Maniototo will be publicly advertised by the Board calling for*

*expressions of interest. Applicants will then be considered by the Board for appointment to the position of trustee to the Community Trust of Maniototo.”*

Subsequently when there are trustee vacancies, expressions of interest are publicly advertised. The Trust chair is invited to consider applications and endorse as they see fit. The Board considers the applications but are not bound by the endorsement of the Trust. The Board makes the final decision of the appointment of a trustee or trustees.

### 3. Discussion

The Community Trust of Maniototo deed of trust requires that there is a minimum of three appointed trustees, there is no maximum number indicated but more trustees can be appointed if requested by the Trust. Generally, the Trust like to have five appointed trustees, but from time to time may increase the number of trustees to six as was done May 2022 for succession planning which is vitally important to the Trust.

The Board can make more than one appointment at any one time as clause 9 in the Trust's deed states:

*“There shall not be less than three trustees of the Trust PROVIDED HOWEVER that if any time or times that number of trustees shall be three or more an additional trustee or trustees shall not be appointed unless the trustees for the time being shall so request in writing. Save except the said Leonard Gladstone Ardell each trustee shall hold office for such a term not exceeding five years shall be specified at the time of his re-appointment as hereinafter provided. A trustee shall on expiry of his term or renewed term be eligible for re-appointment for a further term.”*

On 1 December 2022, trustee John Morrison resigned from the Trust reducing the number of trustees to 5. Alastair Watt has also advised that he will be relocating out of the area which means he can no longer remain as a trustee as he will no longer reside within the Māniatoto area. That will further reduce the trustee numbers to 4. Further, the Chair of the Trust, Dawn Sangster has advised her intention to resign at the end of 2023 and will not be seeking re-appointment – see **Appendix 1**.

Expressions of interest for the vacant trustee position were publicly advertised and applications were received from:

- Kyle Hagen
- Becks Smith
- Richard Morgan

Refer to **Appendix 2, 3 and 4** attached.

In terms of succession planning, the Trust chair has endorsed Kyle Hagen as a replacement for John Morrison. The Trust chair also endorses Becks Smith's appointment as a trustee given Alastair Watt will be relocating and resigning as a trustee in the imminent future. This would bring the number of trustees up to 7 temporarily. It would also mean that when Alastair Watt does resign, there will be no vacancy on the Trust eliminating the need to call for expressions of interest to fill the vacant position.

Should appointments be made to two applicants their term expiry dates would be as follows:

- Kyle Hagen appointment expires no later than 2028
- Becks Smith appointment expires no later than 2026

This will retain the annual resignation of a trustee by rotation.

Richard Morgan is unknown to the Trust chair and the Trust chair would like to make his acquaintance in the first instance prior to endorsing his application or considering him should further vacancies arise on the Trust.

#### 4. Financial Considerations

There are no financial considerations associated with this report.

#### 5. Options

##### Option 1 – (Recommended)

That Kyle Hagen be appointed as a trustee to the Community Trust of Maniototo for a term of five years expiring no later than 2028.

That Becks Smith be appointed as a trustee to the Community Trust of Maniototo for a term of three years expiring no later than 2026.

Advantages:

- As the community evolves, the Trust benefits from having new trustees appointed. New trustees bring different skill sets, experiences, and interests to the trustee role from within the community. This contributes to the knowledge base of the Trust in successfully supporting the community through prudent fund management and grant distribution.
- When Alastair Watt resigns there will be no vacancy on the Trust so no appointment process will need to be undertaken at that time given the number of trustees on the Trust will revert back to 6.

Disadvantages:

- There are no clear disadvantages with this option, both proposed appointments will be an asset to the Trust.

##### Option 2

The Board appoint only one trustee to the Trust at this time.

Advantages:

- There are no clear advantages with this option, both proposed appointments would be an asset to the Trust.

Disadvantages:

- The Chair of the Trust has requested that consideration to two appointments being made – one for the vacant position and the other appointment given Alastair Watt is relocating out of the district and therefore cannot remain a Trustee.
- Appointing only one trustee will leave the Trust short given the pending relocation, creating the need for another appointment process to be undertaken. Historically unsuccessful applicants do not reapply. This could be a potential missed opportunity for the Trust to secure the skill sets these applicants have.

## 6. Compliance

<b>Local Government Act 2002 Purpose Provisions</b>	This decision promotes the social and economic wellbeing of communities, in the present and for the future by ensuring that the Community Trust of Maniototo has efficient, knowledgeable, and skilled trustees.
<b>Decision consistent with other Council plans and policies? Such as the District Plan, Economic Development Strategy etc.</b>	This process and decision are outside of specific Council policy. However, the process and decision for the Board to appoint a trustee to the Trust is fair and transparent for the community and aligns with the Community Trust of Maniototo's Trust Deed.
<b>Considerations as to sustainability, the environment and climate change impacts</b>	There are no impacts to be considered with this decision.
<b>Risks Analysis</b>	There are no risks to be considered with this decision.
<b>Significance, Consultation and Engagement (internal and external)</b>	This is a procedural matter only. By publicly advertising and calling for expressions of interest the Board are giving members of the public an opportunity to be considered to serve on the Trust which benefits both the Trust and the community.

## 7. Next Steps

The Trust through its chair will be advised of the Board's decision following the meeting. The applicants will be advised of the Board's decision following the meeting.

## 8. Attachments

**Appendix 1 - 20230331 Mto Community Board letter.docx** [↓](#)

**Appendix 2 - 20230324 K Hagen.docx** [↓](#)

**Appendix 3 - 20230327 Becks Smith.docx** [↓](#)

**Appendix 4 - 20230324 R Morgan.pdf** [↓](#)

Report author:



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Property  
13/04/2023

Reviewed and authorised by:



David Scoones  
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28/04/2023

Released from public excluded

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9398  
Central Otago  
31/3/23

Dear Community Board,

As a Board we have discussed succession planning and the need to ensure that we have good diversity and sensible rotation of Trustees as we do not want to go from having no change in Trustees to the other extreme of everyone changing.

We have three good applications for John Morrisons position.

My suggestions for you to consider would be:

- I endorse Kyle Hagen's application to replace John Morrison who has stepped down by annual rotation. Kyle would bring a younger, male rural voice to the table.
- I think it would be prudent to endorse Becks Smith as a trustee pending the retirement of Alastair Watt who has indicated that he is relocating out of the district in the imminent future – date to be confirmed. Becks Smith has been acting as our secretary and doing a great job and I think the sooner she is on as a Trustee the better as she would be one of the possible Chair succession options as my term finishes at the end of this year. This would mean we have 6 Trustees in the short term but as Becks attends meetings anyway as a secretary I don't perceive this to be a problem.
- Richard Morgan has a strong application but I have never met him so do not feel able to endorse him. I will arrange to meet with Richard Morgan to make his acquaintance and assess if he would be a good fit as a trustee when the next vacancy comes on the Trust.

Yours sincerely,  
Dawn Sangster  
Chair Community Trust of Maniototo